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February 23, 2015

Council File: **NEW**
Council Districts: Citywide
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The Honorable Eric Garcetti
Mayor, City of Los Angeles
Room 300, City Hall
Los Angeles, CA 90012

Honorable Members of the City Council
City of Los Angeles
c/o City Clerk, City Hall
200 N. Spring Street, Los Angeles, CA 90012

Attention: Mandy Morales, Legislative Coordinator

Richard Williams, Legislative Assistant

COUNCIL TRANSMITTAL: LOS ANGELES HOUSING AND COMMUNITY INVESTMENT DEPARTMENT (HCIDLA) REQUEST FOR APPROVAL TO ISSUE LETTERS OF COMMITMENT FOR 2015 ROUND 1, AFFORDABLE HOUSING TRUST FUND (AHTF) PIPELINE PROJECTS AND VARIOUS ACTIONS RELATED TO THE AHTF

SUMMARY

The General Manager of the Los Angeles Housing and Community Investment Department (HCIDLA) requests approval from the Mayor and City Council to implement the recommendations contained in this report pertaining to HCIDLA's Affordable Housing Trust Fund (AHTF) Pipeline. HCIDLA requests approval to issue AHTF commitments and tax credit recommendations for five projects applying for 9% Low Income Housing Tax Credits (LIHTC) from the California Tax Credit Allocation Committee (CTCAC) in CTCAC's 2015 Round 1 competition, which has the application deadline of March 4, 2015. HCIDLA also requests approval to issue tax credit recommendations and AHTF commitments for four projects applying for 4% LIHTC from CTCAC and tax-exempt bond allocations from the California Debt Limit Allocation Committee (CDLAC).

HCIDLA previously obtained City Council and Mayor authorization (C.F. 13-0303) to admit the nine projects into the AHTF Pipeline for 2015 Round 1. The nine projects will consist of a total of 487 affordable rental housing units in the City of Los Angeles, of which 150 units are set aside for low income large families and 337 units for Permanent Supportive Housing (PSH) comprised of 223 units for Special Needs and 114 units for Homeless/Homeless Veterans/Chronically Homeless. These nine projects will create an estimated 1,461 jobs. Approximately \$34.3 million in AHTF funds will be committed to these nine projects with a total development cost of \$198 million, which will leverage an estimated \$164 million in public and private funds, a leverage ratio of approximately \$4.77 for every dollar invested by the AHTF. The attached Exhibit A contains HCIDLA's Low Income Housing Tax Credit Calendar specifying the names and Council Districts of the nine projects. Summary reports for each of the nine projects are also provided as Exhibit B. Authority is also

requested to perform various reconciliation actions related to the AHTF such as the reallocation and de-obligation of funds.

HCIDLA also requests authorization to de-obligate funds for the Beverly Terrace and Arlington Square projects. The de-obligation of funds for Arlington Square is as a result of the project utilizing Housing Opportunities for Persons with AIDS (HOPWA) funds and a lesser amount of HOME funds. Although there is the request to de-obligate funds for Beverly Terrace, for accounting purposes, additional HOME funds are being obligated as a result of the project converting from a 9% tax credit project to utilizing 4% tax credits and tax-exempt bonds. HCIDLA also requests authorization to decrease appropriations in certain accounts within HOME Fund No. 561 due to the accounts no longer necessitating the funds. HCIDLA is also requesting the establishment of new accounts to appropriate program income to be received from the repayment of the Paseo at Californian, Winnetka Senior Apartments, and LDK Senior Apartments construction bridge loans and additional HOME program income to be received in Program Year 2014-15.

RECOMMENDATIONS

The General Manager of HCIDLA respectfully recommends:

- I. That your office schedule this transmittal at the next available meeting(s) of the appropriate City Council committee(s) and forward it to the City Council for review and approval immediately thereafter, in order for AHTF funding commitments to be awarded prior to the California Tax Credit Allocation Committee's application deadline of March 4, 2015.
- II. That the City Council, subject to the approval of the Mayor, take the following actions:
 - A. Issue a 9% Tax Credit Recommendation Letter and/or Financial Commitment for each of the projects identified in Table 1: CTCAC 2015 Round 1 Projects for 9% LIHTC, subject to the following conditions: 1) that the final AHTF financial commitment not exceed the amount listed; 2) that the project sponsor apply to CTCAC in the allocation round authorized by HCIDLA; and, 3) that disbursement of AHTF funds will take place after the sponsor obtains the full amount of funding and/or tax credits proposed;
 - B. Issue a 4% Tax Credit Recommendation Letter and/or Financial Commitment for each of the projects identified in Table 2: Bond and 4% LIHTC Projects, subject to the following conditions: 1) that the final AHTF financial commitment not exceed the amount listed; and, 2) that the disbursement of AHTF funds will take place after the sponsor obtains the full amount of funding and/or tax credits proposed;
 - C. Negotiate and execute an Exclusive Negotiation Agreement (ENA) for each project identified in Tables 1 and 2 as needed, subject to the satisfaction of all conditions and criteria stated in the AHTF application, this transmittal, and HCIDLA's Letter of Commitment (if any); subject to the review and approval by the City Attorney as to form;
 - D. Negotiate and execute an acquisition/predevelopment/construction/permanent loan agreement with the legal owner of each project identified in Tables 1 and 2 that receives an award from the proposed leveraging source, subject to the satisfaction of all conditions and criteria stated in the AHTF application, this transmittal, and HCIDLA's Letter of Commitment (if any); subject to the review and approval by the City Attorney as to form;

- E. Execute subordination agreements for each of the projects in Tables 1 and 2, wherein the City loan and regulatory agreements are subordinated to their respective conventional construction and permanent loans;
- F. Execute agreements with the project owners of each project in Tables 1 and 2, and authorize the transfer of the property to a limited partnership or other legal entity formed solely for the purpose of owning and operating the project in accordance with City and Federal requirements;
- G. De-obligate and remove HOME allocations in the amount of \$7,252,500 as follows:

<u>Project</u>	<u>Fund</u>	<u>Acct.</u>	<u>Account Name</u>	<u>Amount</u>
Beverly Terrace	561/43	43L008	AHTF	\$3,374,900.00
Arlington Square	561/43	43L008	AHTF	3,877,600.00
Total	561/43			\$7,252,500.00

- H. Obligate and increase the amount of HOME allocations to convert the existing 9% LIHTC Pipeline project to Tax-Exempt Bond and 4% LIHTC financing, and issue revised AHTF letters of commitment to reflect these changes:

<u>Project</u>	<u>Fund</u>	<u>Acct.</u>	<u>Account Name</u>	<u>Additional Amt.</u>
Beverly Terrace	561/43	43K008	AHTF	\$2,080,960.00
Beverly Terrace	561/43	43L008	AHTF	3,935,740.00
Total Funds				\$6,016,700.00

- I. Obligate new HOME allocations for each project listed below:

<u>Project</u>	<u>Fund</u>	<u>Acct.</u>	<u>Account Name</u>	<u>Amount</u>
2015 CTCAC Round 1 - 9% LIHTC Applicants:				
Arlington Square	561/43	43L008	AHTF	\$2,867,600.00
1 st and Soto Apartments	561/43	43L212	AHTF-PI	959,600.00
Meridian Apartments	561/43	43L008	AHTF	6,063,619.00
Meridian Apartments	561/43	43L212	AHTF-PI	1,621,534.00
South West View Apts	561/43	43L008	AHTF	1,136,898.00
South West View Apts	561/43	43L212	AHTF-PI	1,463,102.00
West Villas	561/43	43L008	AHTF	2,509,384.00
Total – 2015 CTCAC Round 1 – 9% LIHTC Applicants				\$16,621,737.00
2015 CTCAC – Bond and 4% LIHTC Applicants:				
Rampart Apartments	561/43	43L007	AHTF-PY	2,110,060.00
T. Bailey Manor	561/43	43L007	AHTF-PY	3,740,000.00
PATH Metro Villas	561/43	43L007	AHTF-PY	439,558.00
PATH Metro Villas	561/43	43L008	AHTF	211,548.00

PATH Metro Villas	561/43	43L212	43L212	2,231,894.00
Total – 2015 CTCAC – Bond and 4% LIHTC Applicants				\$8,733,060.00
Total – All Projects				\$25,354,797.00

J. Obligate new HOPWA allocations for each project listed below:

<u>Project</u>	<u>Fund</u>	<u>Acct.</u>	<u>Account Name</u>	<u>Amount</u>
2015 CTCAC Round 1 - 9% LIHTC Applicants:				
Arlington Square	569/43	43L440	PSHP	\$1,000,000.00
Total – 2015 CTCAC Round 1 – 9% LIHTC Applicants				\$1,000,000.00
2015 CTCAC – Bond and 4% LIHTC Applicants:				
Rampart Apartments	569/43	43L440	PSHP	\$1,000,000.00
T. Bailey Manor	569/43	43L440	PSHP	364,880.00
T. Bailey Manor	569/43	43K440	PSHP	635,120.00
Total – 2015 CTCAC –Bond and 4% LIHTC Applicants				\$2,000,000.00
Total – All Projects				\$3,000,000.00

K. Obligate new McKinney-Vento fund allocations for each project listed below:

<u>Project</u>	<u>Fund</u>	<u>Acct.</u>	<u>Account Name</u>	<u>Amount</u>
2015 CTCAC Round 1 - 9% LIHTC Applicants:				
West Villas	44G/43	43E213	Bond Housing Dev.	\$10,000.00
Arlington Square	44G/43	43E213	Bond Housing Dev.	10,000.00
Total – 9% LIHTC Applicants				\$20,000.00

L. Allocate \$6,063,619 of additional HOME program income to be received in PY 2014-15 to Affordable Housing Trust Fund (AHTF).

M. Authorize the City Controller to:

1. Decrease appropriations within the HOME Fund No. 561 as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
43A844	Technical Services	(\$15,008.75)
43A845	Housing Program Performance	(106,350.00)
43C212	Affordable Housing Trust Fund	(28,921.33)
43C340	PSHP	(1,003,560.00)
43E440	PSHP	(22,928.00)
43E543	Home Program Delivery	(620,000.00)
43F158	Unappropriated Balance	(59,859.00)
43F340	PSHP	(1,479,820.00)

Account	Title	Amount
43F343	Occupancy Monitoring	(62,175.75)
43F844	Technical Services	(21,133.75)
43G143	Housing	(2,844.11)
43G158	Unappropriated Balance	(103,900.00)
43G212	Affordable Housing Trust Fund	(47,817.87)
43G299	Related Costs	(110,241.24)
43G543	Home Program Delivery	(1,017,534.00)
43H112	City Attorney	(14,222.01)
43H143	Housing	(226,159.51)
43H212	Affordable Housing Trust Fund	(.69)
43H230	Home Program Delivery Adm Costs	(383,225.00)
43H412	Service Delivery	(4,831.00)
43J007	Affordable Housing Trust Fund	(230.57)
43J112	City Attorney	(5,130.21)
43J143	LA Housing Dept	(577,655.56)
43J166	Personnel	(4,462.93)
43J412	Service Delivery	(831.00)
43J844	Technical Services	(3,907.00)
43N213	Eastside Rehab	(22,488.00)
43S211	Housing Development	(58,266.26)
43T221	Asset Protection	(276,874.93)
43T223	Home Ownership Assistance	(3,999.12)
43V844	Technical Services	(124.00)
43W220	Loan Servicing	(889.10)
43Y340	Permanent Supportive Housing	(4,228.00)
	Total	(\$6,289,618.69)

2. Establish new account 43L007 Affordable Housing Trust – PY and appropriate \$6,289,618.69 within the HOME Fund No. 561.
3. Increase appropriations in account 43L008 Affordable Housing Trust Fund in the amount of \$6,063,619 within the HOME Fund No. 561.
4. Establish new account 43L212 Affordable Housing Trust – PI and appropriate on as needed basis as program income is received from the Paseo at Californian, Winnetka Senior Apartments and LDK Senior Apartments up to an amount not to exceed \$6,276,130 within the HOME Fund No. 561.
5. Expend funds upon proper demand of the General Manager of HCIDLA or designee.

N. Authorize HCIDLA to prepare Controller instructions and/or make any technical adjustments that may be required and are consistent with this action subject to the approval of the City Administrative Officer and instruct the Controller to implement these instructions.

BACKGROUND

2015 FUNDING RECOMMENDATIONS

Consistent with the AHTF Pipeline Calendar, HCIDLA recommends AHTF commitments for five 9% LIHTC projects competing in CTCAC 2015 Round 1 and for four Tax-Exempt Bond/4% LIHTC projects. Of the 9% LIHTC projects, three will compete in the set-asides and two in the City of Los Angeles Geographic Region. Please refer to Table 1: CTCAC 2015 Round 1 Projects for 9% LIHTC and Table 2: Bond and 4% LIHTC Projects, which summarize the recommended affordable housing developments and funding. Summary reports are provided for each of the projects listed in the tables below as Exhibit 2.

HCIDLA will return to the Mayor and City Council in the Spring of 2015 to request funding commitments for the remaining projects necessitating funding in 2015 CTCAC Round 2.

TABLE 1: CTCAC 2015 ROUND 1 PROJECTS FOR 9% LIHTC

PROJECT NAME	CD	UNITS	HOME FUNDS	HOPWA FUNDS	MCKINNEY -VENTO FUNDS	TOTAL HCIDLA FUNDS
SPECIAL NEEDS SET-ASIDE						
South West View Apts	10	64	\$2,600,000	\$0	\$0	\$2,600,000
NON-PROFIT/HOMELESS SET-ASIDE						
Arlington Square*	10	48	\$2,867,600	\$1,000,000	\$10,000	\$3,877,600
West Villas	8	49	2,509,384	0	10,000	2,519,384
TOTAL		161	\$7,976,984	\$1,000,000	\$20,000	\$8,996,984
CITY OF LOS ANGELES GEOGRAPHIC REGION						
1 st and Soto Apartments	14	50	\$959,600	\$0	\$0	\$959,600
Meridian Apartments	13	100	7,685,153	0	0	7,685,153
TOTAL		150	\$8,644,753	\$0	\$0	\$8,644,753
CTCAC 2015 ROUND 1 TOTAL		311	\$16,621,737	\$1,000,000	\$20,000	\$17,641,737

*Previously competed in 2014 CTCAC Round 2 but did not receive tax credit award.

TABLE 2: BOND AND 4% LIHTC PROJECTS

PROJECT NAME	CD	UNITS	HOME FUNDS	HOPWA FUNDS	MCKINNEY -VENTO FUNDS	TOTAL HCIDLA FUNDS
Beverly Terrace*	13	40	\$6,016,700	\$0	\$0	\$6,016,700
Rampart Apartments	13	23	2,110,060	1,000,000	0	3,110,060
T. Bailey Manor	14	45	3,740,000	1,000,000	0	4,740,000

PATH Metro Villas	13	68	2,883,000	0	0	2,883,000
TOTAL – ALL PROJECTS		176	\$14,749,760	\$2,000,000	\$0	\$16,749,760

*Previously competed in 2014 CTCAC Round 2; converted into Bond/4% LIHTC

SUMMARY OF FUNDING RECOMMENDATIONS

Table 3 below recapitulates the funding transactions contained in this report for: 1) Five pipeline developments competing in 2015 CTCAC Round 1 for 9% LIHTC: one in the Special Needs Set-Aside; two in the Non-Profit/Homeless Set-Aside; and two in the LA Geographic Region; 2) Four developments applying for Bond and 4% LITHC; and 3) All nine projects receiving new HOME funding, with three receiving additional HOPWA funding allocations and two receiving McKinney Bond funds. The addition of the McKinney Bond funds will provide the West Villas and Arlington Square projects with a competitive advantage relative to their applications for 9% tax credits in the CTCAC’s, Non-Profit Homeless Set Aside. The HOPWA funds are recommended for award to Rampart Apartments, T. Bailey Manor and Arlington Square apartments as a result of the projects housing HOPWA eligible individuals.

TABLE 3: FUNDING RECOMMENDATIONS SUMMARY

UNITS	HOME FUNDS	HOPWA FUNDS	MCKINNEY-VENTO FUNDS	TOTAL AHTF FUNDING
161	\$7,976,984	\$1,000,000	\$20,000	\$8,996,984
150	8,644,753	0	0	8,644,753
176	14,749,760	2,000,000	0	16,749,760
TOTAL				
487	\$31,371,497	\$3,000,000	\$20,000	\$34,391,497

FISCAL IMPACT

The proposed actions will not have a fiscal impact on the General Fund. The proposed actions will be funded with \$31.3 million in HOME funds, \$3 million in HOPWA funds and \$20,000 in McKinney-Vento funds. The remaining balance of McKinney-Vento funds is approximately \$142,400 and the remaining amount of HOPWA funds for housing developments is approximately \$1,300,000. The requested actions will utilize current HOME fiscal year balances, 2014-2015 program income, along with the program income received from the Paseo at Californian, Winnetka Senior Apartments and LDK Senior Apartments up to an amount not to exceed \$6,276,130 within the HOME Fund No. 561.

Prepared by:



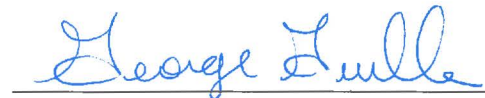
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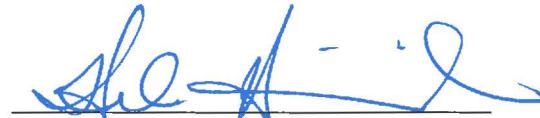
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Reviewed by:



LAURA K. GUGLIELMO
Executive Officer

Approved by:



RUSHMORE D. CERVANTES
General Manager

Attachments:

- Staff Reports
- Pipeline Calendar

**STAFF REPORT
February 12, 2015**

**1st and Soto TOD Apartments
2407 - 2421 East First Street
Los Angeles, CA 90033**

**New Construction
Council District No: 14**

PROJECT DESCRIPTION

1st and Soto TOD Apartments will be a new construction of 50-unit mixed-use residential and commercial development located in the Boyle Heights community of Los Angeles. The project site is 22,400 square feet. The structure will be approximately 65,076 square feet mixed-use and a transit oriented development, type I construction, and includes 5,000 square feet of commercial and 50 units of affordable housing for low income families.

The residential component will provide 30 one-bedroom /1 bath (640 SF Gross), 4 two-bedroom/ 1 bath (830 SF Gross), and 16 three-bedroom/ 2 baths (1,055 SF Gross). There will be 70 parking spaces for the project, comprising of 50 spaces for residential use on one level, and 20 spaces commercial use on the other. In addition, there will be a 70 bicycle parking storage facility. The project will have a 1,200 square feet of community room, 300 square feet of computer room and 4,000 square feet of common open space, which includes a 200 square feet of balcony on the 2nd floor of the community room overlooking 1st Street.

1st and Soto TOD Apartments is located at the northeast quadrant of the 1st and Soto Street intersection, in the heart of Boyle Heights. It is also situated diagonally opposite LA Metro Gold Line Light Rail Soto Street station. The site is comprised of three parcels, all zoned, commercial C-2, and totaling 22,400 Square Feet. The site faces 1st Street and is bounded by 1st Street to the east, two alleys north of 1st Street, one of which runs along the back of the site parallel to 1st Street and exists to both Soto Street and Mathews Street, and a second alley which exists to Michigan Ave. In addition, Soto Street is the main cross street that runs north and south of 1st Street. 1st and Soto TOD Apartments is nestled between commercial properties; to the west of site on the northeast corner of 1st Street and Soto Street are three business that provide check cashing, beauty salon, and automotive body and repair services. To the east of property on 1st Street is a business that operates primarily as a tax return service and a corner store.

PROJECT FINANCE SUMMARY

The sponsor received an award of Transit Oriented Development (TOD) and Infill Infrastructure Fund Grant (IIG) Funds from the California Department of Housing and Community Development (HCD). Construction and permanent conventional loans will be provided through CCRC. These funds would be leveraged with 9% low-income housing tax credit equity from a to-be-determined investor and financing from the Housing and Community Investment

Department of Los Angeles (HCID). The sponsor intends to apply for 9% low-income housing tax credit allocation in spring of 2015.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The development sponsor is East LA Community Corporation (ELACC), a California nonprofit public benefit corporation that was established in 1995. ELACC will act as the sole General Partner when it later forms the 1st and Soto TOD Apartments Limited Partnership (LP). ELACC will later admit a tax credit investor into its LP structure.

FUNDING SOURCES

Sources	Permanent
Permanent Loan	\$ 831,000
HCD TOD Grant	2,437,214
HCD IIG Grant	2,262,136
Limited Partner Equity	16,925,987
General Partner Equity	100
HCID (HOME)	959,600
Total	\$23,416,637

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	50% AMI	40% AMI	30% AMI	Total
1Bedroom		6	7	17	30
2Bedroom	1	1	1	1	4
3Bedroom		9	5	2	16
Total	1	16	13	20	50

PROJECTED SCORING ANALYSIS (TOD)

<u>Criterion</u>	<u>Max. Points</u>	<u>Point Award (TOD)</u>
Extent Project will increase public ridership	90	85
Location in Designated infill or TOD	60	60
Affordability	30	30
Transit supportive land use	20	20
Extent incorporates Walkability & Bicycle	30	30
Parking	40	40
Readiness	38	38
Leverage	15	15

Developer Experience	30	30
Adopted Economic Plan	10	10
Qualified Employment Areas	30	30
Total	393	388

FUNDING RECOMMENDATION

An AHTF funding commitment of up to \$959,600 is recommended. The project has been awarded TOD and IIG funding from HCD. HCID funds will represent \$19,192 per unit or approximately 4.1% of the total development cost. The HCID commitment has been leveraged with HCD TOD and IIG Funds and will also be leveraged with equity from 9% low income housing tax credits and a conventional/permanent loan.

Prepared By: Los Angeles Housing and Community Investment Department

**STAFF REPORT
February 12, 2015**

**Arlington Square
3101 W. Venice Blvd.
Los Angeles, CA 90019**

**New Construction
Council District No: 10**

PROJECT DESCRIPTION

Arlington Square will be a newly constructed special needs 48-unit development that will serve homeless and chronically homeless individuals and veterans. It will be comprised of 24 efficiency units, 23 one-bedroom units and 1 two-bedroom unit will be set aside for the manager. There will be 24 units set aside for the chronically homeless, as 50% of the units will be for chronically homeless individuals and/or veterans. There will also be 35% of the units specifically targeted to homeless veterans. All of the 47 resident units will have project-based vouchers, of which 17 will be HUD-VASH vouchers. Units will be equipped with Energy Star appliances. Project amenities will include an outdoor patio, onsite laundry facilities, fitness center, lounge area, community room and a secured garage with 26 parking spaces.

PROJECT FINANCE SUMMARY

The financing is comprised of a conventional loan from Citibank, Affordable Housing Program funds, tax credit equity and deferred developer fee. In addition to Affordable Housing Trust Fund (AHTF), these funds will be leveraged with 9% low-income housing tax credits from the California Tax Credit Allocation Committee (CTCAC). The applicant will sell the tax credits to an equity investor at a later date.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The owner of the Arlington Square project is 3101 West Venice, L.P. This limited partnership is comprised of A Community of Friends as the Managing General Partner, and Community Multihousing (a subsidiary of Chandler Pratt & Partners) as the Administrative General Partner. A tax credit investor will be admitted as the Limited Partner.

FUNDING SOURCES-PERMANENT

Sources	Amount
HCID - AHTF	\$ 2,867,600
HCID - HOPWA	\$ 1,000,000

HCID – McKinney	\$10,000
Permanent Loan	\$ 1,118,070
AHP	\$ 470,000
Deferred Developer Fee	\$ 494,400
General Partner Equity	\$ 700,700
Limited Partner Equity	\$11,303,936
Total	\$17,964,006

AFFORDABILITY STRUCTURE

Unit Type	30% AMI	Mgr.	Total
0 Bedroom	24		24
1 Bedroom	23		23
2 Bedroom		1	1
Total	47	1	48

FUNDING RECOMMENDATION

An AHTF funding commitment of up to \$3,877,600 is recommended. The project is competing for TCAC funds. HCID funds will represent \$80,783 per unit and 22% of the total development cost. The HCID funding is leveraged with conventional financing and tax credit equity.

Prepared by: Los Angeles Housing and Community Investment Department

**STAFF REPORT
February 17, 2015**

**Beverly Terrace
3314-3330 W. Beverly Boulevard
Los Angeles, CA 90004**

**New Construction
Council District No: 13**

PROJECT DESCRIPTION

The proposed project entails new construction of forty residential units consisting of twenty seven one-bedroom and thirteen two-bedroom units, which will provide permanent supportive housing for homeless individuals and young parents with mental illness and their children. Of the forty units, one will be designated for the resident manager and fourteen units will be set aside for chronically homeless persons. Unit sizes will vary from 500 to 761 square feet and will be equipped with Energy Star appliances including a range and refrigerator, bedroom and dining furniture. All units will be internet and cable-ready. Project amenities will include an onsite childcare center with capacity for 48 infants, toddlers and preschoolers, separate playgrounds for the childcare and the tenants' children, rooftop garden and seating area, onsite laundry and secure underground parking. Units will be designed with Universal Design principles, along with meeting all State and Federal accessibility guidelines.

PROJECT FINANCE SUMMARY

In addition to the Affordable Housing Trust Fund (AHTF) loan, the financing is comprised of funds from the General Partner, the Affordable Housing Program (AHP) and the Community Development Commission (CDC). These funds will be leveraged with tax-exempt bond financing and 4% low-income housing tax credits. The sponsor intends to apply for tax-exempt bond financing and 4% low-income housing tax credits.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The owner of the Beverly Terrace Project is Beverly PSH, L.P. The limited partnership is comprised of Supportive Housing, LLC as the Managing General Partner and A Community of Friends (ACOF), as the General Partner and Developer. Additionally, Supportive Housing, LLC is a wholly-owned subsidiary of ACOF. St. Anne's Maternity Home is in the process of being added into the partnership as the Administrative General Partner. A tax credit investor will be admitted as the Limited Partner, upon the bond closing.

FUNDING SOURCES

Sources	Permanent
HCIDLA	6,016,700
First 5-L.A. CDC	2,500,000
LACDC- Gen Fund	1,705,000
AHP- FHLB	390,000
Deferred Developer Fee	1,128,760
GP Loan	1,250,000
Tax Credit Equity	6,963,038
Total	\$19,953,498

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	Total
1 Bedroom		27	27
2 Bedroom	1	12	13
Total	1	39	40

FUNDING RECOMMENDATION

An AHTF funding commitment of up to \$6,016,700 is recommended and represents \$150,418 per unit or approximately 30% of the total development cost. The HCIDLA commitment will be leveraged with bonds and 4% low income housing tax credits.

Prepared By: Los Angeles Housing and Community Investment Department

Date: 2/17/15

**STAFF REPORT
February 12, 2015**

**Meridian Apartments
215 North Vermont Avenue
Los Angeles, CA 90004**

**New Construction
Council District No: 13**

PROJECT DESCRIPTION

The Meridian Apartments will be a newly constructed 100-unit development that will serve low-income and very low-income families, with ten units reserved for special needs tenants. It will be comprised of 43 one-bedroom units, 24 two-bedroom units and 33 three-bedroom units, of which one of the two-bedroom units will be set aside for the manager. The Meridian Apartments structure will consist of four floors of residential space over one level of subterranean parking. The first floor fronting North Vermont Avenue will also include approximately 5,000 square feet of commercial space. Units will be equipped with Energy Star appliances. Project amenities will include a community room located on the first floor, onsite laundry, a subterranean parking garage with 113 parking spaces, and outdoor courtyard areas with multiple resting places and picnic tables and a tot lot for children.

PROJECT FINANCE SUMMARY

The financing is comprised of the State of California Department of Housing and Community Development's loan program for Transportation Oriented Development (TOD), conventional loan from Union Bank, general partner and limited partner equity, deferred developer fee; in addition to Affordable Housing Trust Fund (AHTF) funds. These funds will be leveraged with 9% low-income housing tax credits from the California Tax Credit Allocation Committee (CTCAC). The applicant will sell the tax credits to an equity investor at a later date.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The borrower and current owner of the proposed project is AMCAL Multi-Housing, Inc. After the allocation of tax credits and once an investor limited partner is identified, ownership of the proposed project will be transferred to a to-be-formed limited partnership. AMCAL Multi-Housing, Inc. will be the Developer General Partner and a to-be-determined nonprofit will be admitted as the Managing General Partner of the limited partnership.

FUNDING SOURCES-PERMANENT

Sources	Amount
HCID-AHTF	\$ 7,685,153
Union Bank Permanent Loan	\$ 4,534,444
HCD TOD Loan	\$ 4,000,000
Deferred Developer Fee	\$ 875,000
Limited Partner Equity	\$ 26,250,000
Total	\$ 43,344,597

AFFORDABILITY STRUCTURE

Unit Type	Area Median Income (AMI)						Mgr.	Total
	30 %	35%	40%	45%	50%	60%		
1 Bedroom	3	10	10	4	4	12	0	43
2 Bedroom	3	0	0	3	2	15	1	24
3 Bedroom	4	0	0	3	4	22	0	33
Total	10	10	10	10	10	49	1	100

FUNDING RECOMMENDATION

An AHTF funding commitment of up to \$7,685,153 is recommended. The project is competing for TCAC funds. HCID funds will represent \$76,851 per unit and 18% of the total development cost. The HCID funding is leveraged with conventional financing and tax credit equity.

Prepared by: Los Angeles Housing and Community Investment Department

STAFF REPORT
February 17, 2015

PATH Metro Villas
345 N. Westmoreland Ave
Los Angeles, CA

New Construction
Council District No: 13

PROJECT DESCRIPTION

PATH Metro Villas is a 68-unit, permanent supportive housing project that will serve low-income individuals who are homeless, chronically homeless or living in poverty with a significant rent burden. Fifty-one units will be designated as Supportive Housing Units. Forty-three units will be occupied by chronically homeless individuals, and eight units will be occupied by homeless persons. All of these units will serve disabled individuals living with a mental illness, chronic substance abuse issue or a long-term, chronic health condition. The remaining sixteen units will be targeted to individuals living in poverty or with a high rent burden which creates a threat of displacement. The project proposes the removal of the existing surface parking lot and the construction of a new six-story building. The development will contain a social service programming space; a two-story community room and 72 parking spaces. Site amenities include a large park that runs the entire site from east to west, an open space plaza with tables, umbrellas and grill barbeques, a communal kitchen; a rooftop deck, relaxing lounges on each residential floor, convenient laundry facilities, bicycle parking, security cameras, a large community facility, and a two-story community room that contains significant natural light

PROJECT FINANCE SUMMARY

In addition to Affordable Housing Trust Fund (AHTF) loan the financing is comprised of funds from the State HCD- MHP Program. These funds will be leveraged with low-income housing tax credit equity and tax-exempt bonds. The sponsor intends to apply for 4% low-income housing tax credits.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The owner will be a to-be-named limited partnership. The limited partnership will be a collaborative effort between Affirmed Housing Group (AHG), and PATH Ventures (PV). AHG will assist PV with the finance and development of the project. This is the third housing project the two agencies are partnering on. A tax credit investor will be admitted as the Limited Partner upon receipt of a Preliminary Reservation of Tax Credits from TCAC.

FUNDING SOURCES

Sources	Permanent
State HCD- MHP	6,136,800
HCIDLA	2,883,000
GP Loan	0
Deferred Developer Fee	1,389,000
Total	\$23,172,000

AFFORDABILITY STRUCTURE

Unit Type	20% AMI Chronic Homeless	30% AMI	50% AMI	Mngr's	Total
0 BR/ Studio	22	4	8		34
1 Bedroom	15	10	8		33
2 Bedroom				1	1
Total	37	14	16	1	68

FUNDING RECOMMENDATION

An AHTF funding commitment of up to \$2,883,000 is recommended and represents \$43,029 per unit or approximately 12% of the total development cost. The HCIDLA commitment will be leveraged with 4% low income housing tax credits and State HCD- MHP loan.

A 4% Tax Credit Letter of Support from HCIDLA is also recommended for this project, to allow this project to compete in CTCAC 2015 Round 1.

Prepared By: Los Angeles Housing and Community Investment Department Date: 02/18/2015

**STAFF REPORT
February 17, 2015**

**Rampart Apts.
252 S. Rampart Avenue
Los Angeles, CA**

**New Construction
Council District No: 13**

PROJECT DESCRIPTION

There is currently an abandoned single family structure at the site. The proposed development entails the demolition (of the existing structure) and new construction of a multi-story twenty three unit structure to provide affordable permanent supportive housing homeless individuals with disabilities. 50% of the units will be reserves for the chronically homeless and ten units will be set aside for people suffering with HIV/AIDS related symptoms. The project amenities will include a community room with kitchenette, a manager's office, two social services offices, laundry facilities, and subterranean parking.

PROJECT FINANCE SUMMARY

In addition to the Affordable Housing Trust Fund (AHTF) loan, the financing is comprised of funds from the State of California Multifamily Housing Program (MHP) Supportive Housing Component (SH), and the Affordable Housing Program (AHP). These funds will be leveraged with the low-income housing tax credit equity. The sponsor intends to apply for 4% low-income housing tax credits.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

On September 15, 1988, the project was financed with a \$208,000 loan from the Community Redevelopment Agency of the City of Los Angeles. On February 9, 1998, the project was financed with a \$129,045 loan from the City of Los Angeles Housing Department. In 2010, the City of Los Angeles acquired title to the property via a foreclosure process. The subject site is currently owned by the City of Los Angeles.

The proposed Borrower/Owner is 252 Rampart Apartments, LP, a California limited partnership. The partnership is comprised of West Hollywood Community Housing Corporation, its Managing General Partner, Affordable Living for the Aging, its Administrative General Partner, and Restore Neighborhoods LA, Inc., its initial limited partner; all of the general partners are California non-profit corporations. A tax credit investor will be admitted as the replacement limited partner.

FUNDING SOURCES

Sources	Permanent
HCIDLA	3,110,060
State of CA – MHP/SH	3,116,344
AHP	220,000
Deferred Developer Fee	447,035
Tax Credit Equity (4%)	3,128,880
Total	\$10,022,319

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	Total
0 Bedroom		22	22
1 Bedroom	1		1
Total	1	22	23

FUNDING RECOMMENDATION

An AHTF funding commitment of up to \$3,110,060 is recommended and represents \$135,220 per unit or approximately 31.03% of the total development cost. The HCIDLA commitment will be leveraged with 4% low income housing tax credits.

Prepared By: Los Angeles Housing and Community Investment Department

Date: 2/17/15

**STAFF REPORT
February 12, 2015**

**South West View Apartments
3015 - 3031 South West View Street
Los Angeles, CA 90016**

**New Construction
Council District No: 10**

PROJECT DESCRIPTION

The proposed project entails the new construction of 64 residential units consisting of fifty-one one-bedroom units and thirteen two-bedroom units, which will provide housing for veterans and low income seniors. Of the 64 units, one will be designated for the resident manager, 32 will be supportive housing units for veterans and their partners, dependent children or caregivers, and there will be a separate 31 unit building for seniors.

The site is located within ¼ mile of the nearby La Brea Station of the Metro Expo Line in an area that includes commercial uses along West Jefferson Blvd. and South La Brea Avenue and low/medium residential uses along West View Street.

Each building will have its own community room with counseling offices, computer learning spaces and kitchen facilities designed to accommodate the unique needs of each population. Adjacent to the veterans' amenity space there will be open space for a children's play area as well as open space for barbeque and other gathering spaces. A meeting room open for use by the surrounding neighborhood and a community garden are included on the north end of the property. A retreat space is included on the fourth floor that will offer quiet activities and a commanding view.

PROJECT FINANCE SUMMARY

In addition to Affordable Housing Trust Fund (AHTF) loan the financing is comprised of funds from the Community Development Commission of the County of Los Angeles (CDC), a conventional bank loan, 9% low income housing tax credits and the Federal Home Loan Bank Board's Affordable Housing Program (AHP). The sponsor intends to apply for 9% low-income housing tax credits, a CDC loan and AHP.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The South West View Apartments project will be owned by a partnership that includes New Directions for Veterans as Managing General Partner and an LLC with Palm Communities as its sole member as the Administrative General Partner.

FUNDING SOURCES

Sources	Permanent
HCID-HOME	2,600,000
CDC Loan	2,000,000
Conventional Loan	2,744,668
Tax Credit Equity	15,205,746
Deferred Developer Fee	600,000
AHP	750,000
Private financing	646,000
Total	\$24,546,414

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	35% AMI	40% AMI	60% AMI	Total
1 Bedroom		6	20	6	19	51
2 Bedroom	1	2	4	1	5	13
Total	1	8	24	7	24	64

PROJECTED SCORING ANALYSIS (9% Tax Credits)

<u>Criterion</u>	<u>Max. Points</u>	<u>Projected Points</u>	<u>Remarks</u>
1) Cost Efficiency, Credit Reduction & Public Funds	20	20	
2) General Partner & Management Company Characteristics	9	9	
3) Negative Points			
4) Housing Needs	10	10	
5) Site and Service Amenities	25	25	
6) Sustainable Building Methods	10	10	
7) Lowest Income Table	52	52	
8) Readiness to proceed	20	20	
9) State Credit Substitution	2	2	
Total	148	148	

FUNDING RECOMMENDATION

An AHTF funding commitment of up to \$2,600,000 is recommended and represents \$40,625 per unit or approximately 11% of the total development cost. The HCID commitment will be leveraged with 9% low income housing tax credits and CDC loan.

Prepared By: Los Angeles Housing and Community Investment Department

**STAFF REPORT
February 12, 2015**

**West Villas
6570 West Blvd.
Los Angeles, CA 90043**

**New Construction
Council District No: 8**

PROJECT DESCRIPTION

West Villas will be a newly constructed, three-story apartment building, with ground floor community and office space as well as a landscaped courtyard and surface parking. The project includes the acquisition and demolition of a vacant office structure and storage shed. The project is located in the Hyde Park neighborhood in the south area of the City of Los Angeles. The 45,305 square foot building will have 48 one-bedroom units and one two-bedroom manager's unit. Units will be furnished with bedroom and dining furniture. The project will serve homeless and disabled veterans.

PROJECT FINANCE SUMMARY

The proposed financing is comprised of Affordable Housing Program (AHP) funds, a Los Angeles County Department of Health's Mental Health Services Act (MHSA) loan, conventional loan from Union Bank, general partner equity, and deferred developer fee; in addition to Affordable Housing Trust Fund (AHTF) funds. These funds will be leveraged with 9% low-income housing tax credits from the California Tax Credit Allocation Committee (CTCAC). The applicant will sell the tax credits to an equity investor at a later date.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

Prior to the start of construction, a California Limited Partnership will be formed to be the borrower and ultimate ownership entity. A Community of Friends will be the General Partner of this partnership. A tax credit investor Limited Partner, to be determined at a later date, will be admitted into the partnership.

FUNDING SOURCES-PERMANENT

Sources	Amount
HCID - AHTF	\$ 2,509,384
HCID - McKinney	\$ 10,000
MHSA-CalHFA	\$ 1,100,000
Permanent Loan	\$ 932,100
AHP	\$ 480,000
Deferred Developer Fee	\$ 517,090
General Partner Equity	\$ 100
Limited Partner Equity (Tax Credits)	<u>\$ 11,834,796</u>
Total	\$ 17,383,470

AFFORDABILITY STRUCTURE

Unit Type	30% AMI	Mgr.	Total
1 Bedroom	48		48
2 Bedroom		1	1
Total	48	1	49

FUNDING RECOMMENDATION

An AHTF funding commitment of up to \$2,519,384 is recommended. The project is competing for TCAC funds. HCID funds will represent \$51,416 per unit and 14% of the total development cost. The HCID funding is leveraged with conventional financing and tax credit equity.

Prepared by: Los Angeles Housing and Community Investment Department

STAFF REPORT
February 17, 2015

T. Bailey Manor
4121 N. Eagle Rock Boulevard
Los Angeles, CA

New Construction
Council District No: 14

PROJECT DESCRIPTION

The proposed project entails new construction of forty six residential units consisting of 3 efficiency units, 42 one-bedroom units, and 1 two bedroom unit which will be designated as the manager's unit. The building will be four stories over subterranean parking. Project amenities will include a multi-purpose room, meeting rooms, computer room, laundry room and offices totaling 3,515 square feet. The project will be made available to mixed population comprised of homeless veterans and developmentally disabled individuals and homeless and low income seniors, individuals or small families with income at 30% and 40% area median income. Ten units will be assisted through the Department of Housing Services, and nineteen will be assisted through VASH.

PROJECT FINANCE SUMMARY

In addition to Affordable Housing Trust Fund (AHTF) loan, the financing is comprised of funds from Housing and Community Development Multifamily Housing Program (HCD-MHP), City of Industry-Community Development Commission of the County of Los Angeles (LACDC), and East Los Angeles Regional Center (ELARC). These funds will be leveraged with the low-income housing tax credit equity. The sponsor intends to apply for 4% low-income housing tax credits.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The owner/sponsor/Managing General Partner of the T. Bailey Manor project is Women Organizing Resources Knowledge and Services (W.O.R.K.S.). The limited partnership owner/sponsor will be determined. A tax credit investor will be admitted as the Limited Partner upon receipt of a Preliminary Reservation of Tax Credits from TCAC.

FUNDING SOURCES

Sources	Permanent
HCIDLA	\$4,740,000
HCD-MHP	2,496,999
LACDC	1,600,000
ELARC	1,127,770
Developer Equity	802,681
Deferred Developer Fee	<u>298,000</u>
TOTAL	\$18,754,155

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	40% AMI
0 Bedroom		3	0
1 Bedroom	1	16	26
Total	1	19	26

FUNDING RECOMMENDATION

An AHTF funding commitment of up to \$4,740,000 is recommended and represents \$103,043 per unit or approximately 25% of the total development cost. The HCIDLA commitment will be leveraged with 4% low income housing tax credits and CDC loan.

Prepared By: Los Angeles Housing and Community Investment Department

Date: 02/17/15

PRELIMINARY 9% LOW INCOME HOUSING TAX CREDIT CALENDAR

(AS OF JANUARY 2015)

2014 ROUND 1	2014 ROUND 2	2015 ROUND 1	2015 ROUND 2
SPECIAL NEEDS SET-ASIDE			
	MARMION WAY (TOD), CD 1, (3) Palm Communities	SOUTHWEST VIEW (TOD), CD 10, (1) Palm Communities	
NON-PROFIT HOMELESS SET-ASIDE			
		WEST VILLAS (TOD), CD 8, (1) A Community of Friends	CAMPUS AT LA FAMILY HOUSING CD 6, (1) LA Family Housing
GATEWAY APARTMENTS CD 11, (2) Venice Community Housing Corp.	CREST APARTMENTS, CD 2, (3) Skid Row Housing Trust	ARLINGTON SQUARE (TOD), CD 10, (1) A Community of Friends	PANAMA APARTMENTS (TOD), CD 14, (1) SRO Housing Corporation
			KING 1101 (TOD), CD 8, (1) Clifford Beers
			BEVERLY AND LUCAS (TOD), CD 13, (1) LINC Housing
LOS ANGELES GEOGRAPHIC SET-ASIDE			
SELMA COMMUNITY HOUSING (TOD), CD 13, (2) ABODE	SANTA CECILIA APARTMENTS (TOD), CD 14, (3) McCormack Baron Salazar	1 ST & SOTO TOD APARTMENTS (TOD), CD 14, (1) East LA Community Corporation	HIGHLAND PARK TRANSIT VILLAGE (TOD), CD 1, (1) McCormack Baron Salazar
PALOMA TERRACE (TOD), CD 9, (2) Retirement Housing Foundation	WASHINGTON 722 (TOD), CD 9, (3) Meta Housing Corporation	MERIDIAN APARTMENTS (TOD), CD 13, (1) AMCAL	NORWOOD LEARNING VILLAGE, CD 1, (1) Thomas Safran & Associates
TAYLOR YARD SENIORS (TOD), CD 1, (2) McCormack Baron Salazar	5400 HOLLYWOOD FAMILY APARTMENTS (TOD), CD 13, (3) Meta Housing Corporation		CORONEL APARTMENTS (TOD), CD 13, (1) Hollywood Community Housing Corporation
			FLORENCE MILLS (TOD), CD 9, (1) Hollywood Community Housing Corporation
			MIRAGE APARTMENTS (TOD), CD 8 (1) Abhay Gokani Corporation

NOTES: This Preliminary Tax Credit Calendar is not an indication of funding. The Tax Credit Calendar will be updated at least quarterly, but certainly after every TCAC round. 2015 Round 1 and 2015 Round 2 PSH developments may shift depending on when an individual development receives PBV, VASH or other operating subsidy commitment. TOD defined as developments located within ½ miles of an existing or fully-funded transit corridor. Transit Corridors are defined as both heavy and light rail and Bus Rapid Transit (BRT) lines. Transit Corridors includes all areas within ½ of the transit corridor; and not exclusively areas ½ miles from rail station stops or bus station hubs.

- (1) Council Approved and Admitted to Managed Pipeline
- (2) Received 9% Tax Credits through TCAC's 2014 Round 1

An Equal Opportunity / Affirmative Action Employer

(3) Received 9% Tax Credits through TCAC's 2014 Round 2

PRELIMINARY BOND/4% LOW INCOME HOUSING TAX CREDIT CALENDAR

JULY 2014	TO BE SCHEDULED
PASEO AT CALIFORNIAN (TOD), CD 1, (2) American Communities	127 TH STREET APARTMENTS CD 15, (1) Meta Housing Corporation
WINNETKA SENIORS (TOD), CD 3, (2) Meta Housing Corporation	T.BAILEY MANOR, CD 14,(1) WORKS
LDK SENIORS CD 10, CD 2, (2) Little Tokyo Service Center	RAMPART APARTMENTS (TOD), CD 13, (1) West Hollywood Community Corp.
	BEVERLY TERRACE (TOD), CD 13, (1) A Community of Friends
	PATH METRO VILLAS (TOD), CD 13, (1)

NOTES: The Bond/4% LIHTC Calendar will be updated at least quarterly, but certainly after every CDLAC round.

(1) Council Approved and Admitted to Managed Pipeline

(2) Received 4% Tax Credits in July/August of 2014

TOD defined as developments located within ½ miles of an existing or fully-funded transit corridor. Transit Corridors are defined as both heavy and light rail and Bus Rapid Transit (BRT) lines. Transit Corridors includes all areas within ½ of the transit corridor; and not exclusively areas ½ miles from rail station stops or bus station hubs.